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Report No. SCL-00111

DA No. 10-2090

Friday October 29, 2010

ACTIONS TAKEN UNDER CABLE LANDING LICENSE ACT

Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses (47 C.F.R. § 1.767(a))

By the Chief, Policy Division, International Bureau:

Pursuant to An Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (Cable Landing License Act), Executive Order No. 10530, Exec. Ord. No. 10530 reprinted as amended in 3 U.S.C. § 301, and section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, the following applications ARE GRANTED. These grants of authority are taken under section 0.261 of the Commission's rules, 47 C.F.R. § 0.261. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this public notice.

These applications have been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 C.F.R. §1.767(b), and consistent with procedures established with the Department of State. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Streamlined Procedures for Executive Branch Review of Submarine Cable Landing License Requests, State Department Media Note (Revised) (rel. Dec. 20, 2001) available at http://2001-2009.state.gov/r/pa/prs/ps/2001/6951.htm.

This public notice serves as each cable landing licensee's Cable Landing License, or modification thereto, pursuant to the Cable Landing License Act and sections 1.767 and 1.768 of the Commission's rules. Cable landing licensees should review carefully the terms and conditions of their licenses. Failure to comply with these terms and conditions or relevant Commission rules and policies could result in fines or forfeitures.

The Commission most recently amended its rules applicable to submarine cable landing licenses in Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, FCC 01-332, 16 FCC Rcd 22167 (2001), 67 Fed. Reg. 1615 (Jan. 14, 2002). An updated version of sections 1.767 and 1.768 of the rules is available at http://www.fcc.gov/ib/pd/pf/telecomrules.html. See also http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-02-598A1.pdf for a March 13, 2002 Public Notice; http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-01-332A1.pdf for the December 14, 2001 Report and Order.

SCL-LIC-20100914-00021

United Utilities, Inc.

Submarine Cable Landing License Grant of Authority

Acceptability for Filing Public Notice: See United Utilities, Inc. and GCI Communication Corp. (GCIC, together with UUI, the Applicants), Application for a License to Land and Operate in the United States a Non-Common Carrier Fiber-Optic Submarine Cable System traversing Cook Inlet to connect the Alaska communities of Williamsport, Alaska and Homer, Alaska -- Cook Inlet Segment, File No. SCL-LIC-20100914-00021, Public Notice, Streamlined Submarine Cable Landing License Applications Accepted for Filing, Report No. SCL-00109S (Int.¹1 Bur. September 24, 2010). No opposition or comments were filed in response to Public Notice of the Application. Coordination with the Department of State and other Executive Branch agencies has been accomplished pursuant to section 1.767(b) of the Commission's rules, 47 C.F.R. § 1.767(b), and procedures established with the State Department. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Red 22167 (2001) (Submarine Cable Landing License Report and Order); Streamlined Procedures for Executive Branch Review of Submarine Cable Landing License Requests, Media Note (Revised) (rel. Dec. 20, 2001) available at http://2001-2009.state.gov/f/pa/prs/ps/2001/6951.htm

Date of Action:

10/28/2010

Actions Taken: Grant of Cable Landing License for the United Utilities, Inc. (UUI) and GCI Communication Corp. to land and operate in the United States a non-common carrier fiber-optic submarine cable system traversing Cook Inlet to connect the communities of Williamsport, Alaska and Homer, Alaska (Cook Inlet Segment). See Application for Cable Landing License, File No. SCL-LIC-20100914-00021.

Licensee Information: UUI is a direct wholly-owned subsidiary of GCIC, which, in turn is a direct wholly-owned subsidiary of GCI Holdings, Inc., which, in turn, is a direct wholly-owned subsidiary of GCI, Inc. is a direct wholly-owned subsidiary of General Communication, Inc. (GCI Parent), a publicly traded company. UUI, GCIC, GCI Holdings, Inc., GCI, Inc., and GCI Parent are all organized under the laws of the State of Alaska and all are engaged in the business of telecommunications. GCI Parent has two 10-percent-or-greater shareholders: (1) John W. Stanton and Theresa Gillespie, who are U.S. citizens, own as tenants in common, 40.1 percent of GCI Parent's outstanding Class B common shares and 4.8 percent of GCI Parent's outstanding Class A shares, which, on a fully-diluted basis across all class shares, gives them an 18.3 percent voting interest and a 6.9 percent equity interest in GCI Parent, and (2) Artic Slope Regional Corp., which owns a 14.4 percent of GCI Parent's Class A shares which, on a fully-diluted basis, gives the company a 9 percent voting interest and a 13.6 percent equity interest in GCI Parent. Artic Slope Regional Corp. is a private, for-profit Alaska corporation owned by Alaska natives.

Cable System Description and Design Capacity: The Cook Inlet Segment will be a digital fiber-optic system connecting UUI's TERRA-SW network to GCIC's existing undersea cable network. The Applicants state that the Cook Inlet Segment will consist of 24 fibers (12 fiber pairs), with an initial capacity of OC-48, upgradeable to OC-192. Cook Inlet Segment's landing points and other associated facilities, which are beach manholes, will be located at Williamsport, Alaska and Homer, Alaska. At Williamsport, Alaska, the Cook Inlet Segment will terminate at a splice point with terrestrial facilities. At Homer, Alaska, the Cook Inlet Segment will terminate at a cable station to be housed in existing GCIC facilities. UUI will own and operate the wet link portion of the Cook Inlet Segment while GCIC will own and operate the cable station at GCIC's existing facilities in Homer, Alaska.

Regulatory Status of Cable: The Applicants will operate the Cook Inlet Segment on a private, non-common carrier basis. The Applicants state that on the Southwestern Alaska route, UUI will compete vigorously with existing providers in the region, including AT&T Alascom, Bristol Bay Telephone Co-op, Bush-Tell, Nushagak Telephone Co-op, and TelAlaska. They also state that capacity will not be sold indifferently to the user public, but will be provided in bulk capacity to particular users - including common carriers, carrier consortia, and large end users - on either an Indefeasible Right of Use (IRU) or on a leased capacity basis. See Application at 5.

Applicants have provided information and demonstrated that the proposed operation of the cable on a non-common carrier basis satisfies the requirements set forth in National Association of Regulatory Utility Commissioners v. FCC, 525 F.2d 630, 642 (D.C. Cir. 1976) (NARUC I), cert. denied, 425 U.S. 992 (1976). See also Submarine Cable Landing License Report and Order, 16 FCC Rcd at 22202-22203, 69-70, Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Notice of Proposed Rulemaking, 15 FCC Rcd 20789, 20815-20818, 62-67.

Conditions and Requirements: Applicants shall comply with the routine conditions set out in section 1.767(g)(1)-(14) of the Commission's rules. See 47 C.F.R. $\S1.767(g)(1)$ -(14).